Comparison of the 2004 - 2005 FFELP and Direct Lending Programs

Lenders	Citibank	Nelnet	Bank of America	Chase	Wachovia	Sallie Mae	Direct Lending
Loan Program	Stafford Loan	Stafford Loan	Stafford Loan	Stafford Loan	Stafford Loan	Stafford Loan	Stafford Loan
Amount Borrowed	$2,625.00	$2,625.00	$2,625.00	$2,625.00	$2,625.00	$2,625.00	$2,625.00
Interest Rate in Repayment	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%	3.37%
Total Cost of Loan	$2,808	$2,826	$2,905	$2,905	$2,826	$2,813	$2,886
Effective Interest Rate	2.87%	3.12%	4.43%	4.43%	3.12%	3.11%	4.25%
Borrower Benefits							
Interest Rate Reductions	0.25% interest rate reduction at repayment for first time borrowers. 2.00% interest rate reduction after 48 on-time payments.	2.00% interest rate reduction after 36 on-time payments.	2.00% interest rate reduction after 48 on-time payments.	2.00% interest rate reduction after 48 on-time payments.	2.00% interest rate reduction after 48 on-time payments.	None	None
Principal Reductions	None	None	None	None	None	Cash Back: 3.30% account credit of original principal balance after 33 on-time payments.	1.5%* original principal reduction. *MUST stay current for 1 year to keep benefit.
ACH Debit	0.25% interest rate reduction for automatic debit of payments.	0.25% interest rate reduction for automatic debit of payments.	0.25% interest rate reduction for automatic debit of payments.	0.25% interest rate reduction for automatic debit of payments.	0.25% interest rate reduction for automatic debit of payments.	0.25% interest rate reduction for automatic debit of payments.	0.25% interest rate reduction for automatic debit of payments.
Fees							
Origination Fee	2.00% (Net) 1.00% - Paid by Lender	0.00% (Net) 3.00% - Paid by Lender.	3.00%	3.00%	0.00% (Net) 3.00% - Paid by Lender.	3.00%	4.00%
Guarantee Fee	1.00% - Waived by HESAA	1.00% - Waived by HESAA	1.00% - Waived by HESAA	1.00% - Waived by HESAA	1.00% - Waived by HESAA	1.00% - Waived by HESAA	None